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**FISCAL IMPACT STATEMENT**

**LS 6819**

**BILL NUMBER:** HB 1245

**NOTE PREPARED:** Jan 5, 2003

**BILL AMENDED:**

**SUBJECT:** Parking Tickets and Small Claims Costs Fees.

**FIRST AUTHOR:** Rep. Ayres

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill has the following provisions:

(A) It requires a municipal corporation that has established a local ordinance violations bureau to enforce unpaid motor vehicle parking violations by bringing an action in court before the clerk of the court may be required to send: (1) a notice to the registered owner of the motor vehicle; and (2) a referral to the Bureau of Motor Vehicles concerning suspension of the vehicle's registration under the law concerning parking tickets.

(B) It exempts political subdivisions from paying the small claims costs fee.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Provision A* would reduce the costs incurred by the clerk of the circuit court of sending out notices to parking violators. Each one-ounce certified letter with a return receipt costs the clerk of the circuit court \$4.42. In CY 2002, 21 counties reported having municipalities that established local ordinance violations bureaus that disposed of one or more municipal violations through the bureau..

If the municipality enforcing these parking violations also notifies parking violators by certified mail with a return receipt, it would incur an added cost of \$4.42 for each notification. Essentially, the costs of notification are shifted from one local governmental entity to another.

*Provision B* would have no fiscal impact. Under current law, municipalities are exempt from paying a filing fee for civil actions (IC 33-19-3-1). Clerks of the circuit court have historically used this section of the code to exempt municipal agencies and other governmental corporations from the \$35 filing fee in small claims court. In 2002, P.L. 164 exempted the Office of the Attorney General from having to pay the fee. Consequently, some clerks are reportedly considering whether to charge the small claims fee when local units of government file a small claims action. This bill would formalize what has been a historic practice.

**Explanation of Local Revenues:** See *Explanation of Local Expenditures*.

**State Agencies Affected:**

**Local Agencies Affected:** Municipalities and local units of government.

**Information Sources:** *2001 Indiana Judicial Report*; Charles Pride, State Board of Accounts.

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